

RESOLUTION 18-198A

A RESOLUTION TO AUTHORIZE TERMINATION OF AGREEMENT WITH ARCHITECTS DESIGN GROUP FOR POLICE HEADQUARTERS DESIGN SERVICES

WHEREAS, the Board of Mayor of Mayor and Alderman approved as part of the FY17-18 Capital Improvement Plan for the City of Spring Hill the funding for professional design services to prepare design plans and related bid documentation for the new police headquarters project; and

WHEREAS, the Board of Mayor and Aldermen approved Resolution 17-96 to enter into an Agreement with Architects Design Group/ADA, Inc. ("ADG") to provide professional design services for the new police headquarters project at Northfield including specifically the performance of Phase 1-A, 1-B, 1-C and 1-D collectively known as initial design services in the amount of \$84,460 plus estimated reimbursable expenses in the amount of \$9,800; and

WHEREAS, ADG completed the initial scope of services on or about July 25, 2018 including the preparation of Spatial Needs Assessment as the deliverable for the initial design services for which the City has paid in full ADG for services and expenses incurred; and

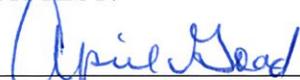
WHEREAS, in accordance with Section 9.5 of the AIA Document B101-2007, Standard Form of Agreement Between Owner and Architect, provides that the Owner (City) may terminate this Agreement upon not less than seven days written notice to the Architect (ADG) for the Owner's convenience and without cause; and

WHEREAS, the City of Spring Hill has determined it is appropriate and in the best interest of the project to terminate the AIA Agreement between the City of Spring Hill and ADG.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Mayor and Aldermen of the City of Spring Hill hereby terminates design services with ADG for convenience and without cause in accordance with Section 9.5 of the AIA Document B101-2007, Standard Form of Agreement Between Owner and Architect, and to provide written notification to ADG of determination by the Board of Mayor and Aldermen to terminate design services.

Passed and adopted by the Board of Mayor and Aldermen of the City of Spring Hill, Tennessee on this 15th day of October, 2018.

ATTEST:

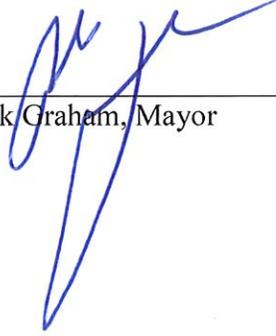


April Goad, City Recorder

LEGAL FORM APPROVED:



Patrick Carter, City Attorney



Rick Graham, Mayor



REQUEST: Resolution 18-198A – Resolution to Terminate Design Services with Architects Design Group for Police Headquarters

SUBMITTED BY: Chuck Downham, Assistant City Administrator and Don Brite, Chief of Police

DATE: October 15, 2018

RE: Police Headquarters Architectural Design Services

ATTACHMENTS: AIA Agreement with Architects Design Group (ADG)

PURPOSE:

A resolution has been prepared by City staff for consideration by the Board of Mayor and Aldermen for the termination of the AIA Agreement with Architects Design Group (ADG) for design services for the Police Headquarters project.

BACKGROUND:

In December 2018 the Board of Mayor and Aldermen authorized the Mayor to execute an AIA Agreement with Architects Design Group (ADG) for initial design services for the Police Headquarters facility at Northfield for a contract amount of \$94,260 including reimbursable expenses. ADG performed initial design services that included: 1) Detailed Spatial Needs Assessment, 2) Existing Facilities Analysis/Evaluation, 3) Site Analysis and Master Planning, and 4) Conceptual Building Renovation Design. The ADG team conducted site visits to meet with Police Department personnel and to inspect the Northfield facility as part of the facilities analysis. ADG prepared and presented to City staff a draft in May 2018 that contained the results of the spatial needs assessment, design narratives, site concept, and adjacency diagrams (see attached).

The completion of the initial design process took much longer than expected due to additional structural and seismic design due diligence needed to confirm design requirements. During the initial review of the draft deliverable from ADG by City staff, staff expressed numerous concerns including most significantly the estimate of probable cost at just over \$16M which was well in excess of budget expectations for the project. In the review of working drafts of deliverables from ADG City staff provided numerous corrective comments that could have been avoided with more rigorous quality control on deliverables. City staff presented several mark-ups as well as alternative concepts and recommendations to ADG to assist in adjusting scope and the extent of renovation work in order to reduce overall project cost. While it was expected the conceptual design process would be iterative, ADG was not responsive to the need expressed repeatedly

by the City to identify cost reduction strategies including phasing the project that would provide an affordable and implementable initial phase for the project for the City. Given the overall estimated cost for renovation of both floors, it appears that a phased construction approach will be needed to manage initial renovation/construction expenses while also providing for the efficient expansion of growing department functions into the remaining occupiable space as the Department continues to grow.

An initial estimate of probable cost based on the spatial needs assessment was provided by ADG that was in excess of \$16M for the entire project. Staff immediately began exploring on its own initiative opportunities to reduce overall construction costs. The Board authorized additional seismic due diligence work to be performed by Terracon and subsequently HFR (structural consultant to ADG) after requesting guidance from ADG that resulted in the reduction of seismic structural modifications from just over \$1.25M to under \$300K representing nearly \$1M in cost savings. Staff believes ADG should have taken a more proactive and progressive role in assisting the City in addressing this design and cost element rather than the City having to undertake the necessary steps to engage by a Geotechnical Engineer and subsequently the structural engineer to perform the appropriate analysis to confirm a less costly structural modification could be undertaken to meet code requirements. After additional follow up conference calls with ADG, a revised final draft report was presented to City staff that reflected a total estimate of probable cost of \$14.995M.

Given the significant cost reflected in the initial and revised opinions of probable cost, City staff recommended and the Board of Mayor and Aldermen approved retaining Thomas Miller Partners (TMP), a local architectural firm with extensive public facility experience including police facilities, to perform a third-party peer review to fully evaluate the report prepared by ADG. TMP was one of the short-listed firms interviewed by the City during the initial selection process for a design consultant for the project.

TMP performed a detailed review of the final report presented by ADG and prepared a report for consideration by the City (attached). The peer review report provided several findings identifying various levels of disparities noted in the ADG report including building area calculations that impacted calculations on the overall opinion of probable cost. During various reviews of deliverables from ADG by City staff, errors were also noted by staff on documents that required resubmittal and correction by ADG. The design approach proposed by ADG as outlined in their report may result in logistical issues as the Police Department continues to expand personnel and functional areas. Design must be mindful of the need for minimal disruption to operations as functions and divisions within the Department continue to evolve and grow in future years.

An initial schedule provided by ADG noted approximately 10 months would be needed to complete design and bidding for the project – based on the additional time needed to complete the initial design phase (nearly 5 months beyond the scheduled completion date), staff is concerned the remaining design schedule may likely extend to one year or more to complete design and bidding which staff believes is excessive given this is a renovation of an existing building. In comparison, the library design will be completed in approximately 6 months with schematic design completed in September.

Section 9.5 of the AIA Agreement provides the Owner (City) the ability to terminate the Agreement upon not less than seven day's written notice to the Architect for the Owner's convenience and without cause. The City recently received the final invoice for initial design services from the Architect and initiated payment of the invoice. The contract value for the initial design services was \$94,260 including reimbursable expenses and the final invoice was \$87,810.36 with no further billing expected from ADG given the completion of initial design services and no additional services having been requested by the City in this phase of design.

Based upon the deficiencies noted and the level of responsiveness exhibited by ADG, staff recommends the Board of Mayor and Aldermen in accordance with Section 9.5 of the AIA Agreement to terminate design services with ADG for convenience and without cause.

FINANCIAL IMPACT:

There is no additional financial impact to be incurred by the City of Spring Hill in the termination of the AIA Agreement with ADG.

STAFF RECOMMENDATION:

Staff recommends the Board of Mayor and Aldermen approve Resolution 18-198A to terminate the AIA Agreement with ADG for convenience and without cause.

ACTION REQUIRED (INCLUDE DEADLINE /PRIORITY):

Following approval of Resolution 18-198A by the Board of Mayor and Aldermen, City staff will prepare and deliver a written notification to Architects Design Group (ADG) expressing the decision of the Board of Mayor and Aldermen to terminate design services for convenience and without cause.

filed with the person or entity administering the mediation. The request may be made concurrently with the filing of a complaint or other appropriate demand for binding dispute resolution but, in such event, mediation shall proceed in advance of binding dispute resolution proceedings, which shall be stayed pending mediation for a period of 60 days from the date of filing, unless stayed for a longer period by agreement of the parties or court order. If an arbitration proceeding is stayed pursuant to this section, the parties may nonetheless proceed to the selection of the arbitrator(s) and agree upon a schedule for later proceedings.

§ 8.2.3 The parties shall share the mediator's fee and any filing fees equally. The mediation shall be held in Maury County, Tennessee, unless another location is mutually agreed upon. Agreements reached in mediation shall be enforceable as settlement agreements in any court having jurisdiction thereof.

§ 8.2.4 If the parties do not resolve a dispute through mediation pursuant to this Section 8.2, the method of binding dispute resolution shall be the following:

(Check the appropriate box. If the Owner and Architect do not select a method of binding dispute resolution below, or do not subsequently agree in writing to a binding dispute resolution method other than litigation, the dispute will be resolved in a court of competent jurisdiction.)

Arbitration pursuant to Section 8.3 of this Agreement

Litigation in a court of competent jurisdiction

Other (Specify)

(Paragraphs Deleted)

ARTICLE 9 TERMINATION OR SUSPENSION

§ 9.1 If the Owner fails to make payments to the Architect in accordance with this Agreement, such failure shall be considered substantial nonperformance and cause for termination or, at the Architect's option, cause for suspension of performance of services under this Agreement. If the Architect elects to suspend services, the Architect shall give seven days' written notice to the Owner before suspending services. In the event of a suspension of services, the Architect shall have no liability to the Owner for delay or damage caused the Owner because of such suspension of services. Before resuming services, the Architect shall be paid all sums due prior to suspension and any expenses incurred in the interruption and resumption of the Architect's services. The Architect's fees for the remaining services and the time schedules shall be equitably adjusted.

§ 9.2 If the Owner suspends the Project, the Architect shall be compensated for services performed prior to notice of such suspension. When the Project is resumed, the Architect shall be compensated for expenses incurred in the interruption and resumption of the Architect's services. The Architect's fees for the remaining services and the time schedules shall be equitably adjusted.

§ 9.3 If the Owner suspends the Project for more than 90 cumulative days for reasons other than the fault of the Architect, the Architect may terminate this Agreement by giving not less than seven days' written notice.

§ 9.4 Either party may terminate this Agreement upon not less than seven days' written notice should the other party fail substantially to perform in accordance with the terms of this Agreement through no fault of the party initiating the termination.

§ 9.5 The Owner may terminate this Agreement upon not less than seven days' written notice to the Architect for the Owner's convenience and without cause.

§ 9.6 In the event of termination not the fault of the Architect, the Architect shall be compensated for services performed prior to termination, together with Reimbursable Expenses then due and all Termination Expenses as defined in Section 9.7.